

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 628 - SB 620**

March 23, 2015

**SUMMARY OF BILL:** Eliminates requirement that local governments with an existing codes department, which enforce their own building codes with regard to single family and two family homes, be subject to an audit by the state fire marshal at least once every 3 years. Eliminates requirement that state building standards supersede all less stringent municipal ordinances.

**ESTIMATED FISCAL IMPACT:**

**Other Fiscal Impact – Based on information provided by the Department of Environment and Conservation (TDEC), the state could be required to perform an audit of compliance of building code standards to ensure they meet federal standards specified in the Energy Policy and Conservation Act (42 USC § 6833(e)). Any such impact would be contingent upon the response set forth by the federal government.**

**In addition, TDEC indicates this bill may require the return of \$62,482,000 of federal funding obtained pursuant to U.S. Department of Energy State Energy Program/ARAA.**

Assumptions:

- The Department of Environment and Conservation (TDEC) reports that under this bill, an extensive audit would have to be performed state wide with the possible result that the state return up to \$62,482,000 in federal funds received from the federal government with assurances of maintaining standards for energy efficiency and building codes as provided in the Energy Policy and Conservation Act (42 USC § 6833(e)).
- Based on information obtained from the County Technical Assistance Service (CTAS) the fiscal impact of this bill is not significant on local government operations.

**IMPACT TO COMMERCE:**

**NOT SIGNIFICANT**

Assumption:

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- The application of less stringent building codes where they apply will likely not have a significant impact to commerce.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink, reading "Jeffrey L. Spalding". The signature is written in a cursive, flowing style.

Jeffrey L. Spalding, Executive Director

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